

Testimony of Thomas A. Harley
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Program Review and Investigations Committee
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Good afternoon, I'm Tom Harley, Chief Engineer at the Department of Transportation. The Department of Transportation (DOT) has been working with Jill Jensen and Brian Beisel for the last couple months and it is a credit to them that they've been able to absorb and grasp the rather complex Project Delivery Process as presented in this report.

The Report is substantially accurate and we look forward to working with the committee staff to update and finalize the document. We wish to note that the described project delivery process only pertains to the highway and bridge program, funded largely though federal funds from the Federal Highway Administration. It does not discuss project delivery programs with the other transportation modes, (aviation, public transit and rail) and the other federal funding partners such as the Federal Transit Administration and the Federal Rail Administration. Although in many ways the processes are similar, they are also, in many ways very different.

The DOT recognizes Results Based Accountability (RBA) as being a valuable process. RBA asks important questions regarding accountability and results in State Government. It is a Program Management tool intended to identify and set strategic goals and then measure and track the Agencies performance toward those goals. Because the project delivery process, the stated focus of this effort, is such a prescribed and deliberate process, we discovered while working with Jill and Brian on the RBA framework, that the Project Delivery Process is a very small part of an RBA framework.

We, collectively, should always be looking for ways to improve our processes and the Department has undertaken some fairly large initiatives do just that. Over the course of the last several years, the DOT has moved forward with conceptualizing and implementing a Performance Management Program for program level delivery using data driven performance metrics and strategic goal driven objectives. This Performance Management Program is arguably in its infancy and is being created consistent with national objectives being dictated by our federal funding partners. Transportation agencies across the nation are moving in this direction. We have full expectation that the next federal transportation funding legislation will demand that states utilize data driven, results based, analytical, program management techniques in order to qualify for federal funding programs.

We have shared this expanding Performance Management program and the ongoing data collection activity with the Committee staff and welcome the opportunity to share it with members of the committee itself, at some appropriate time. The data collection and performance metrics reports can be found on the Department's website covering such things as: on time, on budget construction projects; bridge condition ratings, rideability of our roadways, on time service of our public transit facilities, etc. The goals we set to improve such measures dictate the investment strategies of this agency and we intend to measure our progress over time learning

more as time goes on as to the measureable results in a given index based on increases or decreases in funding to those program elements.

Performance Management through the use of metrics or indexes is the chosen national model of ensuring measureable results in the transportation industry. It is espoused by the American Association of State Highway and Transportation Officials (AASHTO) and we expect as noted earlier, elements will be codified in future federal transportation funding legislation.

Which brings us to this RBA Framework as currently conceptualized.

There are two primary points we would like to make

1. We as an Agency worry that the results of this process will differ from, be duplicative of the national trend in our industry. I don't think it is anyone's intention to make our process less efficient and bureaucratic so, we need to be mindful of that. We have the Performance Management Program started and the goals and metrics in place and growing. We would ask that if you want to help us and or critique our high level, strategic Performance Management objectives, we welcome your input, but please be mindful of adding levels of reporting... Federal performance reporting over here... and state RBA reporting over there...

2. Again, the RBA process lends itself to high level, strategic planning. We want to make strategic funding decision based on high level goals. We want to check our progress with measured results and then we want to validate or adjust our course to achieve our goals.

But, the RBA framework as outlined/conceptualized in the staff's draft attempts to define the high level goals and they are not the same as our Performance Management goals. But more to my point is that they are difficult to apply to the Project Delivery process. The high level goals appropriately apply to which projects should the Department progress to benefit transit oriented development or improve quality of life for instance – but it's less effective in how I deliver a project better or faster.

DOT, and I imagine our stakeholders, want us to deliver those strategic projects faster and better. We think we've taken the first most important steps to improve our project delivery metrics by publishing for you and our various stakeholders, the constrained five-year Capital Plan earlier this year. In so doing we told you what jobs we could afford and would prioritize above all others. No longer are we spreading our limited financial and staff resources trying to progress too much work we can't fund. With the Capital Plan in place we will begin project delivery data collection starting this federal fiscal year. Within a few years we'll have a valid database to measure our progress.

This of course is just the beginning. The Project Delivery Process is a recognized problem at the national level and our federal funding partner (FHWA) is committing substantial resources to Every Day Counts, that's the name of a national Process Improvement campaign in which Project Delivery is one of a handful of focus issues to identify ways to improve business practices. The Department has many of its own ideas that we can readily offer this committee beyond employing a constrained Capital plan.

Those ideas include:

1. More state funds in our program. Connecticut is very reliant on federal transportation funding. State funds are more flexible than federal funds. There are ways to expedite project delivery by using state funds to design projects and bid contracts. A case in point is the state bonded VIP, (vendor in place) paving program. We utilize state contracting procedures rather than follow federal procurement regulation.
2. More State Revenue versus State Bonding. Similar obviously to the previous item, the state's reliance on bonding verses revenue accounts pushes the department to use federal funds for some of the simplest projects that affect the condition of our assets. Federal funding is available to do preservation work, major maintenance work. This work often lasts only 3 to 10 years and can't be bonded. As such we are forced to use scant revenue funds to match or leverage federal resources rather than the more flexible state funds.
3. We would be remiss if we did not point out that more staffing would clearly benefit the delivery process.
4. Additional contracting tools such as Design Build, P3s or Public-Private Partnerships, construction Manager at Risk, etc. All of these would require legislative changes.
5. The environmental permitting process is another area that could be visited to improve project delivery.

I want to thank you for the opportunity to express the Agency's views and perspective on this initiative and we look forward to working with you to improve the way we do business and provide high quality service to the public.

Thank you.